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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

SEDGWICK, LLP,

Debtor.

Case No.: 18-31087 (HLB)

Chapter 11

PLAN OF LIQUIDATION OF SEDGWICK, LLP

Confirmation Hearing

Date: _____, 2019

Time: __:_0_.m. (Pacific Time)

Place: U.S. Bankruptcy Court

450 Golden Gate Avenue, Courtroom 19

San Francisco, CA

Judge: Hon. Hannah L. Blumenstiel

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Exhibits

Exhibit A	Assumed Contracts
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Exhibit D	Malpractice Policies
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Exhibit F	Plan Administrator Curriculum Vitae

PRELIMINARY STATEMENT

Sedgwick LLP, the above-referenced debtor and debtor in possession, hereby proposes the following *Plan of Liquidation* (the “Plan”). All Creditors should review the Disclosure Statement, and its accompanying exhibits and other information, before voting to accept or reject the Plan.

The Plan sets forth a proposal for the resolution of all Claims and Interests against or in the Debtor. In sum, the Plan provides for the Debtor to continue its wind-down efforts after confirmation with its administration to be handled by the Plan Administrator replacing the Dissolution Committee as the primarily responsible party. Confirmation of the Plan shall constitute and confirm the appointment of the Plan Administrator, including responsibility and authority to (a) exercise the rights, power, and authority of the Liquidating Debtor, under the applicable provisions of the Plan and bankruptcy and non-bankruptcy law, and (b) retain post-confirmation professionals to represent the Liquidating Debtor and assist the Plan Administrator in performing and implementing the Plan, including without limitation retaining professionals originally engaged by the Debtor and/or the Committee, and (c) otherwise implement the Plan, wind up the affairs of the Estate and close the Chapter 11 Case.

The Plan contemplates the liquidation of all Estate Assets for the benefit of the holders of Allowed Claims and Allowed Interests, if any. The resulting funds, after payment of Plan Expenses, will be made available for distribution to holders of Allowed Claims and Allowed Interests, if any, in accordance with the terms of the Plan. The Plan Administrator’s operation of the Liquidating Debtor will be for the purpose of liquidating and monetizing Estate Assets, which consist primarily of the Accounts Receivables, Retained Claims, and Defenses.

From and after the Effective Date, the Liquidating Debtor, acting through the Plan Administrator, shall expeditiously seek to collect, liquidate, sell and/or reduce to Cash all Estate Assets, including, without limitation, through pursuit of the Accounts Receivables, Retained Claims, and Defenses, and use the proceeds thereof and the existing cash on hand to fund the Plan.

As set forth in the Disclosure Statement, the Debtor believes that the Plan will allow the holders of Unsecured Claims to receive a meaningful return on account of their Allowed Claims

1 against the Debtor, which in part will depend upon the collection of outstanding Accounts
2 Receivables, the outcome of litigation of Retained Claims, and the ultimate allowance of Claims.

3 With the Plan, Creditors entitled to vote will receive a Ballot for voting on the Plan, and a
4 Disclosure Statement that provides information concerning the Debtor and the Plan. The
5 Disclosure Statement includes a summary of the assets and liabilities of the Debtor, a summary of
6 what Creditors and Interest Holders will receive under the Plan, a discussion of certain alternatives
7 to the Plan, and a summary of the procedures and voting requirements necessary for confirmation
8 of the Plan. You should thoroughly review both the Plan and Disclosure Statement before
9 deciding whether you will accept or reject the Plan.

10 As more fully described in the Disclosure Statement, the Plan must be approved by the
11 requisite number of Creditors and the Bankruptcy Court must find that it meets the applicable legal
12 standards before the Plan can be confirmed. If the Plan is not confirmed, the Debtor or other
13 parties in interest may propose a different plan or the Bankruptcy Court may order the case
14 dismissed or converted to a case under chapter 7 of the Bankruptcy Code.

15 For the reasons set forth in the Disclosure Statement, the Debtor believes the Plan provides
16 the best mechanism available for maximizing returns to Creditors and urges Creditors to vote to
17 accept the Plan.

18 **ARTICLE I**

19 **DEFINITIONS**

20 For purposes of this Plan, all capitalized terms used herein and not otherwise defined shall
21 have the meanings set forth below. A term not defined in the Plan, but defined in the Bankruptcy
22 Code or the Bankruptcy Rules, shall have the meaning ascribed to it in the Bankruptcy Code or the
23 Bankruptcy Rules, unless the context clearly requires otherwise. The rules of construction used in
24 section 102 of the Bankruptcy Code shall apply to construction of this Plan. The phrase “as soon
25 as practicable” shall mean within fourteen (14) days of the relevant date. Headings and captions
26 are utilized in this Plan for convenient reference only, and shall not constitute a part of this Plan for
27 any other purpose.
28

1.1 **“Accounts Receivable”** means the outstanding invoices, claims, and any receivable owed to the Debtor from a former client.

1.2 **“Administrative Claim”** shall mean a Claim for an expense of administration of the Debtor arising during the period commencing on the Petition Date and ending on the Effective Date under sections 503(b), 1114(e)(2) or 546(c)(2) of the Bankruptcy Code and entitled to priority under section 507(a)(1) of the Bankruptcy Code, including, but not limited to, (i) any actual and necessary cost or expense of preserving the Estate of the Debtor or conducting the business of the Debtor, (ii) administrative expenses previously allowed by the Bankruptcy Court, (iii) administrative claims that are timely filed prior to the applicable Administrative Claims Bar Date, (iv) any Tax Claims incurred by the Debtor after the Petition Date or relating to a tax year or period which occurs after the Petition Date, (v) Professional Fees, and (vi) all fees and charges assessed against the Debtor pursuant to 28 U.S.C. § 1930.

1.3 **“Administrative Claims Bar Date”** shall mean the first Business Day that is thirty-five (35) days after the Effective Date pursuant to which Claimants must file a request for payment of any Administrative Claim that arose between October 2, 2018 and the Effective Date, for which notice shall be provided in the Debtor’s notice of the entry of the Confirmation Order.

1.4 **“Allowed”** shall mean, with respect to any Claim (other than an Administrative Claim as set forth below):

(i) a Claim that appears in the Schedules, except a Claim that is listed as disputed, contingent or unliquidated, or for which a contrary proof of Claim has been filed;

(ii) a Claim for which a proof of Claim has been timely filed as of the Bar Date or Rejection Claim Bar Date, as applicable, and no objection thereto has been made on or before any applicable deadline; or

(iii) a Claim that has been allowed, but only to the extent allowed (i) by a Final Order, (ii) under this Plan, or (iii) under any agreements entered into prior to the Effective Date (and approved by the Bankruptcy Court) or in connection with this Plan (and approved in accordance with the terms of this Plan) establishing the amount and nature of any Claim; and

1 With respect to an Administrative Claim, a request for payment that has been filed
2 prior to the Administrative Claims Bar Date, and in accordance with either section 503(b) of the
3 Bankruptcy Code or the procedures for filing requests for payment of an expense of administration
4 set forth in the Administrative Claims Bar Date Order, and as to which either no objection has
5 been made on or before any applicable deadline, or if an objection has been made, a claim has
6 been allowed by Final Order.

7 1.5 **“Allowed Unsecured Claim”** shall mean any Allowed Claim (including any
8 Rejection Claim) that is not an Allowed Administrative Claim, an Allowed Professional Fee
9 Claim, an Allowed Secured Claim, an Insured Malpractice Claim, an Allowed Priority Tax Claim
10 or an Assumed Obligation.

11 1.6 **“Available Cash”** shall mean, with respect to any distribution contemplated herein,
12 the aggregate amount of all Cash held by the Liquidating Debtor immediately prior to such
13 distribution.

14 1.7 **“Avoidance Actions”** shall mean all claims or causes of action of the Debtor
15 arising under sections 542, 543, 544, 545, 547, and 548 of the Bankruptcy Code.

16 1.8 **“Ballot”** shall mean the form for acceptance or rejection of the Plan distributed to
17 those Creditors entitled to vote on the Plan, as such form may be approved by the Bankruptcy
18 Court and which shall otherwise comply with the requirements of Bankruptcy Rule 3018(c).

19 1.9 **“Bankruptcy Code”** shall mean title 11 of the United States Code, §§ 101 *et seq.*,
20 as in effect on the Petition Date, as the same thereafter has been and may be amended, provided
21 such amendments are in effect.

22 1.10 **“Bankruptcy Court” or “Court”** shall mean the United States Bankruptcy Court
23 for the Northern District of California (San Francisco Division), or such other court as may
24 hereafter exercise jurisdiction over the Chapter 11 Case.

25 1.11 **“Bankruptcy Rules”** shall mean the Federal Rules of Bankruptcy Procedure, as in
26 effect on the Filing Date, as the same thereafter has been and may be amended, and the Local
27 Rules of the Bankruptcy Court to the extent applicable to the Chapter 11 Case.
28

1.12 **“Bar Date”** shall mean, as applicable, (i) January 22, 2019, which was the date set by the Bankruptcy Court as the last date for filing a proof of Claim for a Claim that arose before the Petition Date for non-Governmental Units, (ii) March 31, 2019 for Governmental Units; and (iii) any other date set by the Bankruptcy Court.

1.13 **“Business Day”** shall mean any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by any federal, state or local law to be closed in the City of San Francisco, California.

1.14 **“Cash”** shall mean cash and cash equivalents including, but not limited to, cash on deposit in the bank accounts of the Debtor or the Liquidating Debtor, as applicable, checks, wire transfers, money orders, certificates of deposit, money market or similar investments, and other similar readily marketable securities or instruments.

1.15 **“Chapter 11 Case”** shall mean the chapter 11 case commenced by the Debtor upon the filing with the Bankruptcy Court of a voluntary petition under chapter 11 of the Bankruptcy Code and having the Case No.: 18-31087 (HLB).

1.16 **“Claim”** shall mean a claim against the Debtor within the meaning of section 101(5) of the Bankruptcy Code.

1.17 **“Claimant”** shall mean the holder of a Claim.

1.18 **“Claims Reserve Account”** shall mean an interest bearing bank account or money market account to be established and held in trust for the benefit of holders of Allowed Unsecured Claims by the Liquidating Debtor on or after the Effective Date for the purpose of holding the funds to be distributed under the Plan to Unsecured Creditors and for Plan Expenses, and any interest, dividends or other income earned upon the investments in such account.

1.19 **“Class”** shall mean a category or group of Creditors or Interest Holders that are substantially similar to the Claims or Interests of the other Creditors or Interests Holders in such Class, as designated by this Plan pursuant to sections 1122 and 1123 of the Bankruptcy Code.

1.20 **“Committee”** shall mean the Official Committee of Unsecured Creditors appointed by the United States Trustee in the Debtor’s Chapter 11 Case.

1.21 **“Confirmation”** shall mean the approval of the Plan by and subject to the terms of the Confirmation Order.

1.22 **“Confirmation Date”** shall mean the date of Confirmation.

1.23 **“Confirmation Hearing”** shall mean the duly noticed hearing held by the Bankruptcy Court on confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code. The Confirmation Hearing may be adjourned by the Bankruptcy Court from time to time without further notice other than the announcement of the adjourned date at the Confirmation Hearing.

1.24 **“Confirmation Order”** shall mean the order of the Bankruptcy Court, confirming this Plan and providing for the effectuation of the transactions contemplated by this Plan in accordance with the terms and provisions hereof and thereof.

1.25 **“Creditor”** shall mean any entity that holds a Claim.

1.26 **“Debt”** shall mean liability on a Claim.

1.27 **“Debtor”** shall mean Sedgwick, LLP, as debtor and debtor in possession in the Chapter 11 Case.

1.28 **“Disallowed Claim”** shall mean (i) a Claim or any portion thereof, that has been disallowed by a Final Order of the Bankruptcy Court; (ii) a Claim that has been listed in the Schedules at zero or as contingent, disputed, or unliquidated and as to which no proof of Claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to the Bankruptcy Code, any Final Order of the Court, or other applicable law; or (iii) a Claim that has not been listed in the Schedules and as to which no proof of Claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to the Bankruptcy Code, any Final Order of the Court, or other applicable law.

1.29 **“Disclosure Statement”** shall mean the disclosure statement in support of the Plan, in the form approved by the Bankruptcy Court, disseminated by the Debtor to the holders of Claims against the Debtor to provide to such holders of Claims adequate information in accordance with section 1125 of the Bankruptcy Code, as such disclosure statement may be modified, amended, or supplemented from time to time.

1.30 **“Dissolution Committee”** shall mean the committee formed under the Plan of Dissolution for the purpose of governing the affairs of the Debtor after December 31, 2017, whose members currently include Curtis D. Parvin, Bruce D. Celebrezze, and Gregory C. Read.

1.31 **“Disputed Claim”** shall mean any Claim or portion of a Claim as to which an objection to the allowance thereof has been interposed (whether as a separate objection to claim or in connection with an adversary proceeding) as of the Effective Date or any later deadline fixed under the Plan or by order of the Bankruptcy Court, which objection has not been withdrawn or determined by Final Order. To the extent an objection relates to the allowance of only a part of a Claim, such Claim shall be a Disputed Claim only to the extent of the objection.

1.32 **“Disputed Claims Amount”** shall mean the aggregate amount of Disputed Claims that are fixed, absolute – and neither contingent nor unliquidated. For purposes of calculating distributions of Cash under the Plan, the amount of each Disputed Claim shall be based upon the face amount of such Creditor’s Disputed Claim (or the disputed portion thereof) as set forth in the Creditor’s filed proof of Claim.

1.33 **“Effective Date”** shall mean the first Business Day on which each of the conditions specified in Article VII of the Plan has been satisfied or duly waived.

1.34 **“Estate”** shall mean the bankruptcy estate of the Debtor pursuant to section 541 of the Bankruptcy Code.

1.35 **“Estate Assets”** shall mean all property of the estate of the Debtor under section 541 of the Bankruptcy Code including, all property, assets, equitable or legal rights or interests, contract rights, benefits, causes of action, claims, or any other thing tangible or intangible, of any kind whatsoever, owned or held by or on behalf of the Debtor in which the Debtor has any right, title or interest to the full extent provided under section 541 of the Bankruptcy Code including, without limitation, Available Cash, any Retained Claims and Defenses, U.K. LLP Equity, and Avoidance Actions.

1.36 **“Exculpated Parties”** shall have the meaning assigned to it in Article 8.4 of this Plan.

1.37 **“Executory Contracts”** shall mean executory contracts and unexpired leases within the meaning of section 365 of the Bankruptcy Code.

1.38 **“Final Order”** shall mean an order or judgment of the Bankruptcy Court or other court of competent jurisdiction (i) which has not been reversed, stayed, modified or amended, (ii) as to which the time to or the right to appeal or seek reconsideration, review, rehearing, or certiorari has expired or been waived (without regard to whether the time to seek relief from a judgment under Bankruptcy Rule 9024 has expired), and (iii) as to which no appeal or petition for reconsideration, review, rehearing, or certiorari is pending.

1.39 **“Former Equity Partners”** shall mean each of the individuals that held an equity interest in the Debtor, each of whom is named on Exhibit B, attached hereto.

1.40 **“Former Equity Partner Settlement Motion”** shall mean the *Motion for Order Approving the Compromise of a Controversy Among the Debtor and Certain Former Equity Partners of the Debtor* [Docket No. 234] that was entered into by the Debtor and Settling Former Equity Partners and approved by the Bankruptcy Court by entry of the *Order Approving Compromise of a Controversy Among the Debtor and Certain Former Equity Partners of the Debtor* [Docket No.], or other settlement agreement between the Debtor, its estate, or the Plan Administrator and an Equity Partner that is approved by a Final Order.

1.41 **“Former Equity Partner Settlement Payments”** shall mean each payment in good funds made by a Former Equity Partner of an amount fixed by the Former Equity Partner Settlement, or other settlement agreement between the Debtor, its estate, or the Plan Administrator and an Equity Partner that is approved by a Final Order.

1.42 **“Former Settling Equity Partners”** means those Former Equity Partners that are party to the Former Equity Partner Settlement, who are listed on Exhibit C.

1.43 **“Insurance Deductible”** shall mean the amount of a Malpractice Claim that is to be reimbursed by the insured in any applicable Malpractice Policy.

1.44 **“Insured Malpractice Claim”** shall mean the insured portion of any Malpractice Claim under the applicable Malpractice Policy.

1.45 **“Interest Holder”** shall mean, individually, each of the Former Equity Partners set forth on **Exhibit B**, or his/her successors and assigns.

1.46 **“Interests”** shall mean any interests in the Debtor owned by, individually, each of the Former Equity Partners set forth on **Exhibit B**, or his/her successors and assigns.

1.47 **“Lien”** shall mean a charge against or interest in property to secure payment of a debt or performance of an obligation.

1.48 **“Liquidating Debtor”** shall mean the Debtor as reconstituted on and after the Effective Date.

1.49 **“Malpractice Policy” or “Policies”** shall mean any insurance policies issued to or providing coverage, whether before or after the Petition Date, for any of: (a) the Debtors or their predecessors; (b) any past, present, or future directors, officers, employees, agents or representatives of the Debtors or their predecessors, in each case, in their capacity as such; or (c) other beneficiaries of coverage under the terms of such policies issued to or providing coverage to any Person or other Entity referred to in to clauses (a) or (b), including any extended reporting, tail or run-off coverage and any agreements related to any such insurance policies set forth in **Exhibit D**.

1.50 **“Net Available Cash”** shall mean the aggregate amount of all Available Cash held by the Liquidating Debtors after the payment of (or appropriate reserve for) Allowed Administrative Claims, Allowed Priority Tax Claims, Allowed Professional Fee Claims and net of amounts reserved for Disputed Claims, Professional Fees and Plan Expenses.

1.51 **“Non-Settling Former Equity Partner”** shall mean any Former Equity Partner that the Debtor has claims against that have not been settled or adjudicated by a Final Order entered by the Bankruptcy Court, who are each listed on **Exhibit E**.

1.52 **“Oversight Committee”** means the members selected by the Committee that will govern and direct the actions of the Plan Administrator pursuant to the terms of this Plan.

1.53 **“Petition Date”** shall mean October 2, 2019, which is the date when the Debtor filed its voluntary petition pursuant to chapter 11 of the Bankruptcy Code.

1.54 **“Plan”** shall mean this joint chapter 11 plan of liquidation and any exhibits and schedules hereto and any documents incorporated herein by reference, as the same may from time to time be amended or modified as and to the extent permitted herein or by the Bankruptcy Code.

1.55 **“Plan Administrator”** shall mean Kyle Everett, whose curriculum vitae is set forth at **Exhibit F** hereto and who shall file a further statement setting forth his qualifications and affiliations, including a disclosure of any potential conflicts of interest, pursuant to Bankruptcy Code section 1129(a)(5)(A)(i) not less than fourteen (14) days prior than the last day to object to Confirmation.

1.56 **“Plan Expenses”** shall mean all actual and necessary costs and expenses incurred after the Effective Date in connection with the administration of the Plan, including, but not limited to, (i) costs, expenses and legal fees incurred related to filing and prosecuting objections to Claims, (ii) the costs, expenses and legal fees incurred to investigate, litigate, estimate and settle the Retained Claims and Defenses (which shall include the Avoidance Actions), including, but not limited to, attorneys' fees, accounting fees, expert witness fees, consultants' fees, and all costs relating to obtaining and distributing such recoveries, incurred by the Liquidating Debtor, (iii) the costs and expenses of administration of the Liquidating Debtor, including without limitation the fees and costs of the Plan Administrator; (iv) amounts necessary to compensate members of the Dissolution Committee and the Debtor's Professionals after Confirmation for services rendered at the request of the Plan Administrator regarding, *inter alia*, the Debtor's dissolution or the Bankruptcy Case; (v) all costs to manage, store, transport, transfer and destroy client and administrative records, and (vi) all fees payable pursuant to section 1930 of Title 28 of the United States Code.

1.57 **“Plan of Dissolution”** shall mean that certain Plan of Dissolution of Sedgwick, LLP that was approved by the Debtor and effective as of December 31, 2017.

1.58 **“Post-Confirmation Motion and Opportunity for Hearing”** shall mean the procedures to be utilized after the Effective Date by any party seeking approval from the Court respecting matters requiring approval under this Plan which procedures are more fully described in Article 5.30 herein.

1.59 **“Post-Confirmation Service List”** shall mean a service list comprised of names and email addresses for all members of the Committee as of the Effective Date, the Office of the United States Trustee, and any other creditor or party in interest that files a request for post confirmation notice after the Effective Date with the Court and serves it on the Post Confirmation Service List.

1.60 **“Priority Tax Claim”** shall mean that portion of a tax Claim, if any, entitled to priority in payment under section 507(a)(8) of the Bankruptcy Code.

1.61 **“Professional Fees”** shall mean all amounts allowed and awarded by the Bankruptcy Court for compensation for services rendered and reimbursement of expenses incurred by Professionals pursuant to sections 330(a) and 503(b) of the Bankruptcy Code.

1.62 **“Professionals”** shall mean those attorneys, accountants and other financial advisors employed by the Debtor (pursuant to section 327 of the Bankruptcy Code) or the Committee (pursuant to section 1103 of Bankruptcy Code) in the Chapter 11 Case and to be compensated for services rendered and reimbursed for expenses incurred pursuant to sections 330(a) and 503(b) of the Bankruptcy Code.

1.63 **“Pro Rata” or “Pro Rata Share”** shall mean, with respect to distributions on account of Allowed Claims, in the same ratio of an Allowed Claim in a particular Class to the aggregate of all Allowed Claims in that Class.

1.64 **“Rejected Contract(s)”** shall mean those Executory Contracts which are rejected by the Debtor pursuant to section 365 or 1123(b)(2) of the Bankruptcy Code.

1.65 **“Rejection Claim”** shall mean any Allowed Claim under Bankruptcy Code section 502(g) that arises under Bankruptcy Code section 365(g)(1) in favor of the non-debtor party to any Executory Contract that is rejected by the Debtor pursuant to Bankruptcy Code sections 365(a) or 1123(b)(2).

1.66 **“Rejection Claim Bar Date”** shall mean the last date established by the Bankruptcy Court by which entities asserting a Rejection Claim against the Debtor must have filed a proof of Claim with respect to such Rejection Claim or be forever barred from asserting such Claim and/or sharing in any distribution hereunder in respect of such Claim. For contracts or

1 leases for which no rejection claim bar date was previously established, or for contracts and leases
2 rejected pursuant to the Plan, the Rejection Claims Bar Date shall be twenty-eight (28) days
3 following the date upon which the Confirmation Order is entered.

4 1.67 **“Reserved Claims”** shall mean the amounts necessary, or reserved, to pay (i)
5 allowed chapter 11 administrative expenses, (ii) priority tax claims, (iii) allowed Claims in Class 2,
6 or (iv) Plan Expenses.

7 1.68 **“Reserved Claims Pool”** shall mean the amounts that shall be funded on or after
8 the Effective Date pursuant to Article 5.1 of this Plan for the purpose of holding as reserves the
9 amounts of Administrative Claims (including amounts due for Professional Fees) that have not
10 become Allowed Claims.

11 1.69 **“Reserved Claims Pool Account”** shall mean the bank account established by the
12 Liquidating Debtor into which the Plan Administrator shall deposit the amounts that constitute the
13 Reserved Claims Pool.

14 1.70 **“Retained Claims and Defenses”** shall mean all claims, rights, interests, causes of
15 action, defenses, counterclaims, cross-claims, third-party claims, or rights of offset, recoupment,
16 subrogation or subordination held by the Debtor or its Estate against any party whether or not
17 pending on the Effective Date, not otherwise released or settled before the Effective Date,
18 including but not limited to those specifically set forth in Article IV of the Disclosure Statement.

19 1.71 **“Schedules”** shall mean the schedules of assets and liabilities [Docket Nos. 107
20 and 119] and the statement of financial affairs [Docket No. 108] filed by the Debtor with the
21 Bankruptcy Court pursuant to section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, as
22 amended from time to time.

23 1.72 **“Secured Claim”** shall mean a Claim secured by a Lien on property of the Debtor,
24 or the Estate, or secured by an amount subject to setoff under section 553 of the Bankruptcy Code,
25 to the extent of the value of such Lien or right of setoff as determined under sections 506(a) or
26 1129(b) of the Bankruptcy Code, as applicable.

1.73 **“Sedgwick Released Claims”** means all claims for relief, causes of action, defenses or counterclaims that the Debtor or the Estate (or any entity acting on behalf of the Debtor or the Estate) could have asserted against the Settling Former Equity Partners.

1.74 **“U.K. LLP”** means Sedgwick Detert Moran & Arnold LLP, as organized under the laws of England.

1.75 **“U.K. LLP Equity”** means the equity in the U.K. LLP that is owned by the Debtor.

1.76 **“Unliquidated Claim”** shall mean any Claim for which a proof of Claim has been filed with the Bankruptcy Court but was not filed in a sum certain, and which Claim has not been estimated, fixed or liquidated by the Bankruptcy Court at a sum certain as of the Effective Date.

1.77 **“Unsecured Claim”** shall mean any Claim that is neither secured nor entitled to priority or administrative status under sections 507 or 503, respectively, of the Bankruptcy Code.

ARTICLE II

CLASSIFICATION OF CLAIMS AND INTERESTS

2.1 **Criterion of Class.** The following is a designation of Classes of Claims under the Plan. Administrative Claims and Priority Tax Claims have not been classified and are excluded from the following Classes in accordance with section 1123(a)(1) of the Bankruptcy Code. A Claim is classified in a particular Class only to the extent that (i) the Claim qualifies within the description of that Class, and is classified in a different Class to the extent that the remainder of the Claim qualifies within the description of that different Class, and (ii) the Claim, or any portion or Allowed amount of such Claim, is an Allowed Claim in that Class and has not been paid, released or otherwise satisfied prior to the Effective Date. In the event of a controversy as to whether (a) any Class of Claims is impaired, or (b) any Class of Claims is properly designated, the Bankruptcy Court shall, after notice and a hearing, determine such controversy pursuant to applicable provisions of the Bankruptcy Code and Bankruptcy Rule 3013.

2.2 **Classes of Claims and Interests.** All Claims and Interests are divided into the following Classes, which Classes shall be mutually exclusive:

2.2.1 **Class 1 Claims.**

Class 1 shall consist of Insured Malpractice Claims.

2.2.2 **Class 2 Claims.**

Class 2 shall consist of General Unsecured Claims.

2.2.3 **Class 3 Interests.**

Class 3 shall consist of the Interests held by the Interest Holders.

ARTICLE III

TREATMENT OF UNCLASSIFIED CLAIMS

3.1 **Administrative Claims.**

Each Allowed Administrative Claim, unless the holder of such Claim has agreed to a different treatment, shall be paid in full by the Liquidating Debtor from Available Cash or the Reserved Claims Pool Account (as applicable) on the latest of: (a) the Effective Date, or as soon thereafter as practicable; (b) such date as may be fixed by the Bankruptcy Court, or as soon thereafter as practicable; (c) the fourteenth day after such Claim is Allowed, or as soon thereafter as practicable; and (d) such date as the holder of such Claim and the Liquidating Debtor may agree.

3.2 **Administrative Claim Bar Date.**

All requests for payment of Administrative Claims, other than Claims for Professional Fees, must be filed by the Administrative Claim Bar Date or the holders thereof shall be forever barred from asserting such Administrative Claims against the Debtor or the Liquidating Debtor or from sharing in any distribution under the Plan. Holders of Administrative Claims based on liabilities incurred in the ordinary course of the Debtor's business following the Petition Date shall not be required to comply with the Administrative Claim Bar Date, *provided that*, (i) such holders have otherwise submitted an invoice, billing statement or other evidence of indebtedness to the Debtor in the ordinary course of business, and (ii) such Claims are not past due according to their terms.

1 **3.3 Claims for Professional Fees.**

2 Each party seeking an award by the Bankruptcy Court of Professional Fees: (a) must file its
3 final application for allowance of compensation for services rendered and reimbursement of
4 expenses incurred through the Effective Date on or before the Administrative Claims Bar Date;
5 and (b) if the Bankruptcy Court grants such an award, each such party will be paid in full in Cash
6 by the Liquidating Debtor in such amounts as are allowed by the Bankruptcy Court as soon
7 thereafter as practicable. All final applications for allowance and disbursement of Professional
8 Fees must be in compliance with all of the terms and provisions of any applicable order of the
9 Bankruptcy Court, including the Confirmation Order, and the Bankruptcy Court's Guidelines for
10 Compensation and Expense Reimbursement of Professionals and Trustees.

11 **3.4 Priority Tax Claims.**

12 Each Allowed Priority Tax Claim, unless the holder of such Claim has agreed to a different
13 treatment, shall receive deferred cash payments to the extent permitted by section 1129(a)(9) of the
14 Bankruptcy Code with interest on the unpaid portion of such Claim at the rate established by
15 applicable nonbankruptcy law as of the calendar month in which the Plan is confirmed, or at such
16 other rate as may be agreed upon between the Liquidating Debtor and the appropriate
17 governmental unit, provided that the Liquidating Debtor may prepay any or all such Claims at any
18 time, without premium or penalty.

19 **ARTICLE IV**

20 **TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS**

21 **4.1 Class 1 Claims (Insured Malpractice Claims).**

22 Class 1 shall consist of Insured Malpractice Claims. Class 1 Claims are impaired. Each
23 Holder of an Insured Malpractice Claim shall receive the treatment provided by the Plan for the
24 holders of Allowed Unsecured Claims under Class 2 of the Plan. In the alternative, at the election
25 (as defined below) of the Holder of a Class 1 Claim, such holder shall instead receive the
26 following treatment: (a) the automatic stay under Section 362 of the Bankruptcy Code shall be
27 deemed modified to permit the Holder of a Class 1 Claim to prosecute its claim to judgment in any
28 applicable court of competent jurisdiction; (b) the Holder shall be deemed to waive its Class 1

1 Claim against the Debtor and the Estate and shall not be entitled to any distribution under the Plan,
2 (c) the Holder shall limit its recourse on account of its Class 1 Claim solely to the proceeds of any
3 applicable Malpractice Policy; and (d) any recovery obtained by the Holder on account of its Class
4 1 Claim shall (i) in the event of a judgment, be deemed reduced by the amount of any Insurance
5 Deductible applicable to such Claim under any applicable Malpractice Policy, or (ii) in the event
6 of a settlement, be deemed to satisfy the amount of any Insurance Deductible applicable to such
7 Claim under any applicable Malpractice Policy. For purposes of this Section 4.1 of the Plan, an
8 election shall mean the written acceptance submitted by the Holder of a Class 1 Claim accepting
9 the Plan on the Ballot in connection with solicitation of votes under the Plan.

10 **4.2 Class 2 (General Unsecured Claims).**

11 Class 2 shall consist of Unsecured Claims. Class 2 Claims are impaired. Each holder of an
12 Allowed Class 2 Claim shall receive, a Pro Rata Share of Net Available Cash after deductions for
13 the payment (or appropriate reserve for) the Allowed Claims of senior classes of Claims and
14 reserves for Disputed Claims, Professional Fees and/or Plan Expenses. To the extent that all
15 Allowed Class 2 Claims have been paid in full, including post-petition interest, any remaining
16 funds in the Claims Reserve Account shall be used by the Liquidating Debtor to fund distributions
17 to the holders of Allowed Interests in Class 3.

18 **4.3 Class 3 (Interests).**

19 Class 3 consists of the Interests held by the Interest Holders. On the Effective Date, the
20 Interest Holders shall have no ability to direct or control the affairs of the Liquidating Debtor, but
21 shall retain their status as partners of the Liquidating Debtor. Interest Holders shall receive
22 nothing under the Plan until the Allowed Claims of Class 2 is paid in full, including postpetition
23 interest, at which point all Net Available Cash, net of amounts reserved for Disputed Claims,
24 Professional Fees and/or Plan Expenses, shall be paid to the Interests Holders consistent with the
25 extent of their Interests.
26
27
28

1 4.4 **Nonconsensual Confirmation.**

2 4.4.1 **Classes 1 and 2 Cramdown.**

3 The Debtor hereby requests confirmation of the Plan pursuant to section 1129(b) of
4 the Bankruptcy Code on the basis that the Plan is fair and equitable and does not discriminate
5 unfairly as to the holders of Claims in Classes 1 and 2.

6 4.4.2 **Class 3 Cramdown.**

7 The Debtor hereby requests confirmation of the Plan pursuant to section 1129(b) of
8 the Bankruptcy Code on the basis that the Plan is fair and equitable and does not discriminate
9 unfairly as to the holders of Interests in Class 3.

10 **ARTICLE V**

11 **MEANS FOR IMPLEMENTATION OF THE PLAN**

12 The Plan shall be implemented on the Effective Date. In addition to the provisions set forth
13 elsewhere in this Plan regarding means of execution, the following shall constitute the principal
14 means for implementation of the Plan.

15 5.1 **Effective Date Transactions.**

16 Without limiting the generality of the foregoing, and without altering or amending the
17 terms of the Plan in any manner, on (or, where appropriate, after) the Effective Date, the following
18 actions shall occur:

19 (i) The transactions contemplated under the Plan shall be consummated;

20 (ii) The Liquidating Debtor shall be capitalized with the Former Equity Partner
21 Settlement Payments;

22 (iii) The Liquidating Debtor shall fund the Reserved Claims Pool Account with
23 the funds necessary to establish the Reserved Claims Pool; and

24 (iv) The Liquidating Debtor shall reserve such funds as are necessary to fund all
25 anticipated Plan Expenses, including without limitation any anticipated litigation costs, prior to
26 making any distributions pursuant to this Plan;

1 **5.2 Revesting of Estate Assets.**

2 Upon the Effective Date, the Liquidating Debtor shall be vested with all right, title and
3 interest in the Estate Assets free and clear of all Claims and Liens, other than any obligations under
4 this Plan.

5 **5.3 Replacement of Dissolution Committee/Continued Existence.**

6 Upon the Effective Date, the Plan of Dissolution shall be deemed amended to replace the
7 Dissolution Committee with the Plan Administrator, and the Dissolution Committee shall be
8 relieved of its responsibilities arising under the Plan of Dissolution. The Liquidating Debtor, as
9 represented by the Plan Administrator, shall be authorized to execute such other documents as are
10 necessary and appropriate to carry out the provisions of this Plan, without the necessity of filing
11 such documents with the Bankruptcy Court. In the event the Liquidating Debtor seeks and obtains
12 the assistance of any member of the Dissolution Committee or the Debtor's Professionals after
13 Confirmation, regarding, *inter alia*, the Debtor's dissolution or the Bankruptcy Case, the
14 Liquidating Debtor shall pay for such assistance at the regular hourly rates of the member of the
15 Dissolution Committee or the Debtor's Professionals.

16 **5.4 Management of Liquidating Debtor by Plan Administrator.**

17 Subject to the oversight and consent of the Oversight Committee that is required for Plan
18 Administrator actions or decisions that are set forth in Article 5.12, on and after the Effective Date,
19 the Plan Administrator shall be responsible for the implementation of the Plan, including with
20 respect to the management, control and operation of the Liquidating Debtor. The Liquidating
21 Debtor and its counsel will succeed to the Debtor's attorney-client privilege with the Debtor's
22 former clients. The Plan Administrator shall be compensated on an interim basis at a blended
23 hourly rate of \$525 per hour, plus reasonable out of pocket expenses. For time incurred prior to
24 Confirmation in preparation for a transfer of control, the Plan Administrator may be compensated
25 Post-Confirmation up to 40 hours of time. The Plan Administrator may petition the Court to
26 modify the hourly rate two years after the Effective Date. Upon completion of all duties and
27 concurrent with a Post Confirmation Motion and Opportunity for Hearing seeking closure of the
28 Chapter 11 Case, the Plan Administrator shall file a Post Confirmation Motion and Opportunity for

Hearing seeking approval of all fees and expenses previously paid as compensation by the Liquidating Debtor after the Effective Date.

5.5 Continued Business of Liquidating Debtor.

On and after the Effective Date and upon the direction of the Plan Administrator, the Liquidating Debtor shall continue to engage in its wind-down operations and may use, acquire, dispose of and/or abandon Estate Assets without supervision by the Bankruptcy Court and free of any restrictions under the Bankruptcy Code or the Bankruptcy Rules, except as set forth in this Plan. The Liquidating Debtor will not continue or engage in the conduct of any trade or business, except to the limited extent necessary to accomplish the liquidation and distribution of the Estate Assets.

5.6 Retained Claims and Defenses.

Except as otherwise limited by Article 5.12, on and after the Effective Date, pursuant to section 1123(b)(3) of the Bankruptcy Code, the Liquidating Debtor, acting through the Plan Administrator, shall retain and may enforce the Retained Claims and Defenses with all powers and authority of a debtor in possession or trustee under the Bankruptcy Code.

5.6.1 Bankruptcy Rule 2004.

In the course of any ongoing investigations, the Plan Administrator shall have the right post-confirmation to utilize Bankruptcy Rule 2004 examinations, to be enforced pursuant to Bankruptcy Rule 2005.

5.6.2 Standing.

To the extent any Retained Claims and Defenses are already pending on the Effective Date, the Plan Administrator as successor to the Debtor may continue the prosecution of such Retained Claims and Defenses. Without limiting the foregoing, the Plan Administrator, acting on behalf of the Liquidating Debtor, shall accede to and become the holder of all rights in and to any confidentiality agreements, joint defense agreements, and privilege agreements, as well as rights pursuant to attorney-client privilege, attorney work product and any other or similar doctrine, of the Debtor and the Committee. Any proceeds received from or on account of the

1 Retained Claims and Defenses shall constitute Estate Assets and shall vest entirely in the
2 Liquidating Debtor.

3 **5.7 Avoidance Actions.**

4 On and after the Effective Date, the Liquidating Debtor, acting through the Plan
5 Administrator, shall retain and may enforce the Avoidance Actions with all powers and authority
6 of a debtor in possession or trustee under the Bankruptcy Code. The Plan Administrator may
7 investigate Avoidance Actions and may assert, settle or enforce any such claims or defenses. To
8 the extent any Avoidance Actions are already pending on the Effective Date, the Plan
9 Administrator as successor to the Debtor and may continue the prosecution of such Avoidance
10 Actions. Any proceeds received from or on account of the Avoidance Actions shall constitute
11 Estate Assets and shall vest entirely in the Liquidating Debtor.

12 **5.8 Claims Reserve Account.**

13 On or as soon as practical following the Effective Date, the Claims Reserve Account shall
14 be opened by the Plan Administrator and held by the Liquidating Debtor and funded by all Cash
15 not deposited in the Reserved Claims Pool Account, which funds (minus Plan Expenses) shall be
16 held for the benefit of holders of Claims in Classes 1 and 2. Unless otherwise provided in the
17 Confirmation Order, the Claims Reserve Account shall be invested by the Plan Administrator in a
18 manner consistent with the objectives of section 345(a) of the Bankruptcy Code. All duties and
19 obligations associated with the maintenance of the Claims Reserve Account, including but not
20 limited to, any fees, taxes, tax reporting or filings with any governmental authority, shall be the
21 sole responsibility of the Plan Administrator.

22 **5.9 Liquidating Debtor Liquidation Budget.**

23 Upon the Effective Date, the Plan Administrator shall exercise his business judgment and
24 reserve the estimated amount of two (2) years' U.S. Trustee fees and may reserve additional funds
25 post confirmation based on information available at the time in the exercise of his or her business
26 judgment.

1 **5.10 Limitation of Liability of Plan Administrator and the Oversight Committee.**

2 The Plan Administrator, the Oversight Committee (including its members individually) and
3 their attorneys, accountants, consultants, employees, agents and assignees, heirs, successors, and
4 assigns, shall have no liability for any error of judgment made in good faith other than as a result
5 of gross negligence or willful misconduct. The Plan Administrator and the Oversight Committee
6 (including its members individually) shall not be liable for any action taken or omitted in good
7 faith and believed by them to be authorized within the discretion or rights or powers conferred
8 upon them by this Plan or the New Plan Documents. In performing his duties hereunder, the Plan
9 Administrator may consult with counsel selected by him, at the expense of the Liquidating
10 Debtor. No provisions of this Plan shall require any employee, officer or director of the Plan
11 Administrator or the Oversight Committee (including its members individually) to expend or risk
12 their own funds or otherwise incur personal financial liability in the performance of any of duties
13 under this Plan or in the exercise of any of the Plan Administrator's rights and powers. The
14 Liquidating Debtor shall indemnify and hold the Plan Administrator and the Oversight Committee
15 (including its members individually) harmless, from and against any damages, costs, claims and
16 other liabilities incurred in connection with their respective duties and responsibilities hereunder,
17 other than those damages, costs, claims and other liabilities that result from such party's gross
18 negligence or willful misconduct. Notwithstanding the above, nothing in this paragraph shall
19 shield a Professional employed by the Plan Administrator and/or the Oversight Committee from
20 injuries caused by his negligence in the performance of his or her duties.

21 **5.11 Dissolution of Committee**

22 Upon the Effective Date, the members of the Committee shall be released and discharged
23 of and from all further authority, duties, responsibilities and obligations related to and arising from
24 and in connection with the Chapter 11 Case, and the Committee shall be dissolved, and the
25 retention or employment of the Committee's respective attorneys, accountants and other agents
26 shall terminate. Following the Effective Date, the Committee's Professionals are entitled to seek
27 payment for the reasonable and documented fees and expenses related to their services provided on
28 or before the Effective Date as well as any reasonable fees and expenses incurred in preparing final

1 fee applications for services rendered prior to the Effective Date. The Committee elected
2 representative to the Oversight Committee shall remain in full force and effect and shall survive
3 the Committee's dissolution.

4 5.12 Powers of the Oversight Committee.

5 From and after the Effective Date, the Oversight Committee shall replace the Committee
6 for as long as the Oversight Committee has at least one active member. Any member may resign
7 from the Oversight Committee by serving written notice to all members of the Oversight
8 Committee and to the Plan Administrator. Such written notice may specify the date of resignation.
9 The Plan shall amend the existing Committee bylaws to provide: (a) in the event that there is a tie
10 vote on a motion presented to the Oversight Committee, the motion shall be decided based on the
11 aggregate claim amounts of the voting members, and (b) to make the minimum number of
12 Oversight Committee members one (1). The Oversight Committee may utilize the Professionals of
13 the Liquidating Debtor or retain their own Professionals in the Oversight Committee's discretion.
14 The Plan Administrator shall send the Oversight Committee members monthly status reports
15 regarding the status of the Retained Claims and Defenses and quarterly reports on the status of the
16 Liquidating Debtor's progress administering Estate Assets. The Plan Administrator shall work
17 with the Chair of the Oversight Committee to schedule Oversight Committee meetings as needed.

18 The Plan Administrator shall take direction and seek authorization from the Oversight
19 Committee. The Oversight Committee may seek Court approval to remove the Plan Administrator
20 if he or she fails to obtain Oversight Committee approval for one or more of the foregoing
21 described actions and/or for cause. The Plan Administrator may only defend such a motion on the
22 ground that (i) he or she did not take any actions that were restricted by the Plan or (ii) if the
23 motion is made for cause, that no cause exists for removal. If the Plan Administrator is removed
24 by the Bankruptcy Court or is no longer able or willing to complete his or her duties, the Oversight
25 Committee shall appoint a successor Plan Administrator.

26 5.13 Material Default Under the Plan.

27 Failure to make any payment required to be made under the Plan by the Liquidating Debtor
28 shall be considered a default under the Plan. If any default is not cured within 35 days after

1 service of written notice of such default to the Liquidating Debtor, the U.S. Trustee, any affected
2 Creditor, or any affected party in interest asserting such default may seek to enforce its rights
3 under the Plan.

4 **5.14 Payment of Plan Expenses.**

5 All Plan Expenses may be paid by the Liquidating Debtor.

6 **5.15 Distribution Procedures.**

7 Distributions to holders of Allowed Claims in Classes 1 through 3 shall be made as soon as
8 practicable as determined by the business judgment of the Plan Administrator based upon the
9 amount of funds to be distributed relative to the administrative costs of making a distribution.

10 Because both the timing and the amount of distributions to Unsecured Creditors are dependent on
11 the proceeds from the prosecution of the Retained Claims and Defenses and Avoidance Actions, it
12 would be imprudent to provide an estimate as to when distributions will be made under the Plan.

13 To the extent not accomplished previously, the Plan Administrator shall promptly move to file
14 objections to Claims with the goal being that all objections be filed and served not later than 270
15 days following the Effective Date, provided that such date shall not bar later objections.

16 Notwithstanding the preceding sentence, no distributions shall be made on account of Class 1
17 Claims until all objections to Claims have been filed. No payments or distributions shall be made
18 by the Liquidating Debtor on account of Disputed Claims unless and to the extent such Claims
19 become Allowed Claims. The funds allocated to Disputed Claims will not be distributed, but will
20 be held in the Claims Reserve Account by the Liquidating Debtor in accordance with this Plan
21 pending resolution of such Disputed Claims. Except as otherwise agreed by the holder of a
22 particular Claim, or as provided in this Plan, all amounts to be paid by the Liquidating Debtor
23 under the Plan shall be distributed in such amounts and at such times as is reasonably prudent, in
24 the form of interim and/or final distributions, with sufficient reserves established to satisfy the
25 reserve requirements for Disputed Unsecured Claims, Professional Fees and anticipated Plan
26 Expenses. Unless otherwise provided in this Plan, all distributions to Creditors shall be: (i) in U.S.
27 dollars by check, draft or warrant, drawn on a domestic bank, or by wire transfer from a domestic
28 bank, and (ii) by first-class mail (or by other equivalent or superior means as appropriate).

1 **5.16 Resolution of Disputed Claims**

2 The Plan Administrator shall promptly move to file objections to Claims that have not been
3 previously objected to with the goal being that all objections be filed and served not later than 270
4 days following the Effective Date, provided that such date shall not bar later objections. Except as
5 otherwise provided in the Confirmation Order, the Liquidating Debtor shall be authorized to settle,
6 or withdraw any objections to, any Disputed Claim (including Malpractice Claims) following the
7 Confirmation Date in accordance with the terms of the Plan, as applicable, and the Bankruptcy
8 Court shall retain jurisdiction to hear and adjudicate the allowance or disallowance of Claims, as
9 provided for in Article V of this Plan. Settled Claims shall be deemed to be Allowed Claims in the
10 amount compromised for purposes of this Plan. Under no circumstances will any distributions be
11 made on account of Disallowed Claims.

12 **5.17 Reserve Provisions for Disputed Claims.**

13 The Liquidating Debtor shall implement the following procedures with respect to the
14 allocation and distribution of Cash held in reserve for the benefit of holders of Disputed Claims
15 that may become Allowed Claims:

16 (i) Cash respecting Disputed Claims shall not be distributed, but shall be
17 withheld by the Liquidating Debtor, in an amount equal to the amount of the distributions that
18 would otherwise be made to the holders of such Claims if such Claims had been Allowed Claims;

19 (ii) All holders of Allowed Claims shall be entitled to receive, if available,
20 interim distributions under the Plan. No distributions may be made to the holders of Allowed
21 Claims unless adequate reserves are established for the payment of Disputed Claims and sufficient
22 funds are also reserved for expected Professional Fees and Plan Expenses;

23 (iii) For the purposes of effectuating the provisions of this Article V, the
24 Bankruptcy Court may estimate the amount of any contingent or unliquidated Claim pursuant to
25 section 502(c) of the Bankruptcy Code, which provides, “There shall be estimated for the purpose
26 of allowance under this section—(1) any contingent or unliquidated claim, the fixing or liquidation
27 of which, as the case may be, would unduly delay the administration of the case; or (2) any right to
28 payment arising from a right to an equitable remedy for breach of performance.” The amounts so

1 fixed or liquidated by the Bankruptcy Court shall be deemed to be Allowed Claims for purposes of
2 distribution under this Plan, or alternatively, until such time as the Claim becomes Allowed, the
3 amount so fixed by the Bankruptcy Court shall serve as the basis to calculate the appropriate
4 Disputed Claim reserve;

5 (iv) When a Disputed Claim becomes an Allowed Claim, there shall be
6 distributed to the holder of such Allowed Claim, in accordance with the provisions of this Plan,
7 Cash equal to the holder's Pro Rata Share of the Distributions that have previously been made on
8 account of the Claims in the same class. In no event shall such holder be paid more than the
9 amount that would otherwise have been paid to such holder if the Disputed Claim (or the Allowed
10 portion of the Disputed Claim) had not been a Disputed Claim;

11 (v) Interim distributions may be made from time to time to the holders of
12 Allowed Claims prior to the resolution by Final Order or otherwise of all Disputed Claims,
13 provided that, such distributions are otherwise consistent with the terms of this Plan and the
14 aggregate amount of Cash to be distributed at such time is practicable in comparison to the
15 anticipated costs of such interim distributions;

16 (vi) No holder of a Disputed Claim shall have any Claim against the Cash
17 reserved with respect to such Claim until such Disputed Claim shall become an Allowed Claim. In
18 no event shall any holder of any Disputed Claim be entitled to receive (under the Plan or
19 otherwise) any payment (x) which is greater than the amount reserved for such Claim pursuant to
20 this Article V (unless the Claim is otherwise allowed in a greater amount by the Bankruptcy Court)
21 or (y) except as otherwise permitted under this Plan, of interest or other compensation for delays in
22 distribution. In no event shall the Plan Administrator have any responsibility or liability for any
23 loss to or of any amount reserved under these provisions of this Plan unless the loss is caused by
24 the Plan Administrator's gross negligence or willful misconduct;

25 (vii) To the extent a Disputed Claim ultimately becomes an Allowed Claim in an
26 amount less than the Disputed Claims Amount reserved for such Disputed Claim, then the
27 resulting surplus of cash shall be made available for redistribution to other holders of Allowed
28

1 Claims of like class until such time as each holder of an Allowed Claim has been paid the Allowed
2 amount of its Claim.

3 **5.18 Allocation of Distributions.**

4 Distributions to any holder of an Allowed Claim shall be allocated first to the principal
5 amount of any such Allowed Claim, as determined for federal income tax purposes, and then, to
6 the extent the consideration exceeds such amount, to the remainder of such Claim comprising
7 interest, if any (but solely to the extent that interest is an allowable portion of such Allowed
8 Claim).

9 **5.19 Rounding.**

10 Whenever any payment of a fraction of a cent would otherwise be called for the actual
11 distribution shall reflect a rounding of such fraction down to the nearest cent.

12 **5.20 De Minimis Distributions.**

13 Notwithstanding any other provision of this Plan, distributions of less than \$250 need not
14 be made by the Liquidating Debtor on account of any Allowed Claim, provided that, distributions
15 that would otherwise be made but for this provision shall carry over until the next date of a
16 distribution until the cumulative amount to which any holder of an Allowed Claim is entitled is
17 equal to or more than \$250, at which time the cumulative amount of such distributions shall be
18 paid to such holder. Distributions that will not be made as of the date of a final distribution shall
19 be treated as unclaimed distributions as provided in Article V of this Plan.

20 Notwithstanding any other provision of this Plan, at the point when the remaining funds in
21 the Claims Reserve Account consist of an amount impracticable to distribute, the Liquidating
22 Debtor may donate (or authorize the Plan Administrator to donate) such Cash to a nonprofit
23 organization or organizations in this judicial district that are exempt pursuant to section 501(c) of
24 the Internal Revenue Code (Title 26 of the United States Code).

25 **5.21 Disputed Payments.**

26 In the event of any dispute between and among Creditors as to the right of any entity to
27 receive or retain any payment or distribution to be made to such entity under the Plan, the
28 Liquidating Debtor may, in lieu of making such payment or distribution to such entity, instead hold

1 such payment or distribution until the disposition thereof shall be determined by the Bankruptcy
2 Court.

3 **5.22 Unclaimed Property.**

4 Creditors have the obligation to file change of address forms with the Court and to serve
5 such changes of address on the Plan Administrator and his counsel. If a Claimant fails for the
6 second consecutive time to claim any Cash within 90 days from the date upon which a distribution
7 is made, such Claimant shall be subject to having its claim excluded from future distributions. The
8 Plan Administrator shall file an omnibus Post Confirmation Motion and Opportunity for Hearing
9 seeking to exclude such Claimants from future distributions and shall serve such Claimants at the
10 address on Claimants proof of claim, if any, on the address scheduled by the Debtor for such
11 Claimants, on any addresses supplied by Claimants in any and all change of address filings filed
12 with the Court, and if available on any agents for service of process addresses that are available
13 from the California Secretary of State and any other states in which the Debtor did business (but
14 only to the extent that such agents for service of process are available from the Secretary of State's
15 web sites without charge). Upon Court approval of the subject Claimants' forfeiture, such Cash
16 (including interest thereon) shall be made available for re-distribution to other holders of Allowed
17 Claims of like Class. Entities which fail to claim Cash shall forfeit their rights thereto and shall
18 have no claim whatsoever against the Liquidating Debtor or the Plan Administrator, as applicable,
19 or any holder of an Allowed Claim to whom distributions are made under this Plan, provided,
20 however, that the Plan Administrator may but is not required to undertake reasonable efforts, in his
21 business judgment, to locate creditors whose distributions are returned.

22 **5.23 Malpractice Policies Remain In Force**

23 All Malpractice Policies shall remain in full force and effect according to their terms and
24 the coverage obligations of the insurers and third party administrators under such Malpractice
25 Policies shall continue following the Effective Date (including any obligations to pay, defend and
26 process insured claims).

1 **5.24 Successor Plan Administrator.**

2 If the Plan Administrator resigns, dies, is removed by the Oversight Committee pursuant to
3 Article V of the Plan, or is otherwise unable or unwilling to perform his or her duties under this
4 Plan, the Oversight Committee shall name the successor Plan Administrator. If the Oversight
5 Committee no longer exists, the successor Plan Administrator shall be selected by the Creditor
6 holding the largest undisputed Allowed Claim, after consultation with parties in interest, including
7 Unsecured Creditors or their successors, as appropriate.

8 **5.25 Setoffs.**

9 Nothing contained in this Plan shall constitute a waiver or release by the Debtor of any
10 right of setoff or recoupment that the Debtor or the Liquidating Debtor may have against any
11 Creditor or Interest Holder.

12 **5.26 No Distributions on Late-Filed Claims.**

13 Except as otherwise provided in a Final Order of the Bankruptcy Court, any Claim as to
14 which a proof of Claim was first filed after the Bar Date shall be a Disallowed Claim, and no
15 distribution shall be made to a holder of such a Claim, provided that, to the extent such Claim was
16 listed in the Schedules (other than as contingent, disputed, or unliquidated), such Claim shall be
17 treated as an Allowed Claim in the amount in which it was so listed.

18 **5.27 Withholding Taxes.**

19 Pursuant to section 346(f) of the Bankruptcy Code, the Liquidating Debtor shall be entitled
20 to deduct any federal, state or local withholding taxes from any Cash payments made with respect
21 to Allowed Claims, as appropriate. The Liquidating Debtor shall comply with all reporting
22 obligations imposed on it by any governmental unit.

23 **5.28 Post-Effective Date Reports.**

24 Following the Effective Date, the Liquidating Debtor shall prepare and submit to the
25 Bankruptcy Court and the Office of the United States Trustee, post-confirmation reports for a
26 revested debtor in the form suggested by the Office of the United States Trustee for Region 17.
27 The first post-confirmation report shall be due within thirty (30) days following the end of the first
28 calendar quarter from the Effective Date and shall be filed on a quarterly basis thereafter within

thirty (30) days after the end of each quarter, unless otherwise agreed by the Liquidating Debtor and the Office of the United States Trustee. Twice yearly, the Plan Administrator shall also provide oral reports to Claimants to be held at a convenient location in San Francisco (the “Plan Administrator Meetings with Claimants”), or by conference call. Claimants can participate in the Plan Administrator Meetings with Claimants by executing a disclosure of potential conflicts form, and a confidentiality and common interest agreement and returning it to the Plan Administrator or his Counsel at or prior to the commencement of any meeting. The Plan Administrator in the exercise of his business judgment may exclude any Claimant who presents a conflict that makes participation in such meeting inappropriate from any relevant portion of such meeting. The Plan Administrator shall serve on all members of the Post Confirmation Service List a notice of each meeting at least thirty days prior to each Plan Administrator Meetings with Claimants. Claimants that elect to participate in these meetings, shall have no fiduciary duty to any other Claimant to act on or respond to any information provided by the Plan Administrator at the meetings, and shall have no liability to any Claimant or party for any opinions expressed by a Claimant at any Plan Administrator Meetings with Claimants.

5.29 Post-Effective Date Employment and Compensation of Professionals.

After the Effective Date, the Plan Administrator may retain any existing Professionals of the Committee or the Debtor without further employment agreements or orders. Additionally, after the Effective Date, the Plan Administrator may hire other professionals without the requirement that such professionals file employment applications for Bankruptcy Court approval of their employment, whether on an hourly, contingency fee or other basis, and without requirement that such professionals file applications for payment of post-Effective Date fees and expenses on an interim basis.

5.30 Final Decree.

Upon substantial consummation of the Plan, the Plan Administrator shall be authorized to file a motion for the entry of a final decree closing the Chapter 11 case pursuant to section 350 of the Bankruptcy Code. Concurrently with the motion for entry of final decree, the Plan

1 Administrator shall also file a report with the Court and the Office of the United States Trustee that
2 sets forth the distributions made by the Liquidating Debtor pursuant to the Plan.

3 **5.31 Procedures for Post-Confirmation Motion and Opportunity for Hearing.**

4 A Post-Confirmation Motion and Opportunity for Hearing shall be served on the Post-
5 Confirmation Service List and shall: (i) detail the requested relief; (ii) provide evidentiary support;
6 and (iii) give any and all parties in interest fourteen (14) calendar days to file written opposition
7 with the Court and to request a hearing. If no opposition is filed, the Court may act on the Post
8 Confirmation Motion and Opportunity for Hearing without hearing.

9 **ARTICLE VI**

10 **EXECUTORY CONTRACTS**

11 **6.1 Executory Contracts.**

12 **6.1.1 Assumption.**

13 Upon the Effective Date, the Debtor will reject each and all of its Executory
14 Contracts except for any Assumed Contracts identified on **Exhibit A**, which shall be assumed.
15 The Debtor reserves the right to make additions to **Exhibit A** up to 14 days prior to the date on
16 which objections must be filed to the Plan with respect to the Confirmation Hearing. The
17 Liquidating Debtor shall be responsible for all Cure Obligations with respect to the Assumed
18 Contracts as set forth in **Exhibit A** or as determined by the Bankruptcy Court.

19 **6.1.2 Rejection.**

20 Nothing contained herein shall constitute a waiver by the Debtor or the Liquidating
21 Debtor of the right to contend that some or all of a Rejected Contract is not executory, or that it
22 was not terminated earlier by agreement or operation of law. Any Rejection Claim arising from
23 the rejection of an Executory Contract pursuant to the Plan shall be filed within thirty-five (35)
24 days of entry of the Confirmation Order, provided that such deadline is not applicable to any
25 Executory Contract rejected prior to the Effective Date and for which a different Rejection Claim
26 Bar Date was previously fixed by the Bankruptcy Court pursuant to Bankruptcy Rule 3002(c)(4).
27 The notice of entry of the Confirmation Order shall provide the Rejection Claim Bar Date for
28 agreements rejected pursuant to the Plan. Any Rejection Claim not filed by the applicable

1 Rejection Claims Bar Date shall be a Disallowed Claim and shall be forever barred as a Claim
2 against the Debtor, the Liquidating Debtor, or any property of the Debtor and from sharing in any
3 distribution under this Plan.

4 **6.2 Satisfaction of Cure Obligations.**

5 The Liquidating Debtor shall satisfy any Cure Obligations for the Assumed Contracts by
6 making a Cash payment equal to the lesser of the amount: (a) set forth on Exhibit A hereto, (b) set
7 forth in any other notice, motion or supplement to the Plan filed and served in connection with the
8 Confirmation Hearing or as may be determined in an Assumption and Cure Order, or (c) agreed to
9 in writing between the Liquidating Debtor and the non-debtor parties to such contracts or leases.

10 The Debtor has attached a schedule of proposed Cure Obligations to the Disclosure Statement
11 approved by the Court pursuant to section 1125 of the Bankruptcy Code. Objections, if any, to the
12 Cure Obligations must be filed fourteen (14) days prior to the Confirmation Hearing. The
13 Liquidating Debtor shall satisfy the Cure Obligations within fourteen (14) days from the date from
14 which an Assumed Contract is assumed pursuant to section 365(b) of the Bankruptcy Code.

15 **6.3 Post-Petition Executory Contracts and Unexpired Leases.**

16 Except as may be provided otherwise by the Confirmation Order, all agreements and
17 stipulations entered into by the Debtor on or after the Petition Date, and all Executory Contracts
18 previously assumed by the Debtor on or after the Petition Date, shall remain in full force and effect
19 following Confirmation to the extent and in the manner set forth in such agreements, stipulations
20 and Assumed Contracts or leases, in each case as approved and authorized by the Bankruptcy
21 Court, and as the same may have been amended, modified or transferred.

22 **6.4 Order Authorizing Assumption or Rejection.**

23 The Confirmation Order (or if set forth in a separate order from the Confirmation Order,
24 the Assumption and Cure Order applicable to such Assumed Contract) shall constitute an order of
25 the Bankruptcy Court approving (effective only upon the occurrence of the Effective Date) the
26 assumption or rejection, as the case may be, pursuant to sections 365 and 1123(b)(2) of the
27 Bankruptcy Code of all Executory Contracts under this Article of the Plan. The contracts and
28

leases under this Article VI will be assumed or rejected, respectively, only to the extent that any such contracts or leases constitute Executory Contracts.

ARTICLE VII

CONDITIONS PRECEDENT

7.1 Conditions to Confirmation.

Confirmation of this Plan is conditioned upon the entry of an order confirming the Plan which shall, among other things, (1) decree that the Plan and the Confirmation Order shall supersede any Bankruptcy Court orders issued prior to the Effective Date that are inconsistent therewith; (2) authorize the implementation of the Plan in accordance with its terms; (3) contain findings supported by evidence adduced at the Confirmation Hearing that upon the occurrence of the Effective Date, that the Plan is proposed in good faith, that all actions contemplated by the Plan necessary to implement the restructuring contemplated by the Plan are authorized by all corporate action; (4) issue the injunction set forth in the Plan, effective as of the Effective Date; (5) decree that on the Effective Date, the reversioning of assets in the Debtor contemplated by the Plan is or will be legal, valid and effective, and vest or will vest in the Liquidating Debtor good and marketable title to such property free and clear of all Liens, Claims, and Interests except as provided in the Plan; and (6) confirm the Plan and authorize implementation in accordance with its terms. If any of the foregoing terms and conditions is not met, the Debtor may, at its option, withdraw this Plan and, if withdrawn, this Plan shall be of no further force or effect.

7.2 Conditions to Effective Date.

At any time after the Confirmation Order is entered (and provided no stay is then in effect), the Debtor shall have the power and authority to cause the Plan to become effective, and the Effective Date shall occur upon the closing of the transactions contemplated herein.

ARTICLE VIII

EFFECTS OF CONFIRMATION

8.1 Binding Effect of Plan.

The provisions of the confirmed Plan shall bind the Debtor, the Liquidating Debtor, the Committee, and any Creditor or Interest Holder, whether or not such Creditor or Interest Holder

1 has filed a proof of Claim or Interest in the Chapter 11 Case, whether or not the Claim of such
2 Creditor or the Interest of such Interest Holder is impaired under the Plan, and whether or not such
3 Creditor or Interest Holder has accepted or rejected the Plan. All Claims and Debts shall be as
4 fixed and adjusted pursuant to this Plan.

5 **8.2 Revesting of Property Free and Clear.**

6 Upon the Effective Date, title to all Estate Assets shall vest in the Liquidating Debtor for
7 the purposes contemplated under the Plan. All Unsecured Claims against the Debtor or the Estate
8 shall be of no further force or effect except with respect to the rights of holders of Allowed Claims
9 to received payments or distributions as set forth herein. Following the Effective Date, the
10 Liquidating Debtor may use, acquire or dispose of any such property free of any restrictions
11 imposed by the Bankruptcy Court, the Bankruptcy Code or the Bankruptcy Rules and without
12 further approval of the Bankruptcy Court or notice to Creditors, except as may otherwise be
13 required under the Plan or the Confirmation Order. Except as otherwise expressly provided in the
14 Plan or Confirmation Order, all rights or causes of action are hereby preserved and retained for
15 enforcement solely and exclusively by and at the discretion of the Liquidating Debtor.

16 **8.3 Injunction.**

17 On the Effective Date, and except as otherwise provided by the Plan, all entities who have
18 held, hold or may hold Claims against or Interests in the Debtor or the Debtor's estate that arose
19 prior to the Effective Date are permanently enjoined from taking legal action against the Debtor or
20 the Liquidating Debtor for the purpose of directly or indirectly collecting, recovering, or receiving
21 payment or recovery with respect to any Claim or demand against the Debtor or the Liquidating
22 Debtor.

23 **8.4 Limitation of Liability.**

24 The Debtor, the Liquidating Debtor, the Dissolution Committee and each of its members,
25 and the Committee and each of its members, and their respective officers, directors, managers,
26 employees, agents, and representatives (collectively, the "**Exculpated Parties**"), will neither have
27 nor incur any liability to any entity for any action in good faith taken or omitted to be taken in
28 connection with or related to the Chapter 11 Case, the investigations of potential claims or the

1 formulation, preparation, dissemination, implementation, Confirmation or consummation of the
2 Plan, the Disclosure Statement, or any agreement created or entered into in connection with the
3 Plan or incident to the Chapter 11 Case, provided that, this limitation will not affect or modify the
4 rights of any holder of an Allowed Claim to enforce its rights under the Plan, nor shall the
5 foregoing exonerate any of the Exculpated Parties from any liability that results from an act or
6 omission to the extent such act or omission is determined by Final Order to have constituted gross
7 negligence or willful misconduct. In addition, notwithstanding any other provision of this Plan, no
8 holder of a Claim or Interest, no other party in interest, none of their respective agents, employees,
9 representatives, financial advisors, attorneys or affiliates, and no successors or assigns of the
10 foregoing, shall have any right of action against any Exculpated Party for any act or omission from
11 and after the Petition Date in connection with, relating to or arising out of the Chapter 11 Case or
12 the consideration, formulation, preparation, dissemination, implementation, Confirmation or
13 consummation of the Plan, the Disclosure Statement, or any transaction or document created or
14 entered into, or any other act taken or omitted to be taken, in connection therewith, except for: (a)
15 the liability of any entity that would otherwise result from the failure to perform or pay any
16 obligation or liability under the Plan or any contract, instrument, release or other agreement or
17 document to be entered into or delivered in connection with the Plan, or (b) the liability of any
18 entity that would otherwise result from any such act or omission to the extent that such act or
19 omission is determined in a Final Order to have constituted gross negligence or willful misconduct.
20 The Exculpated Parties do not include any Professionals.

21 ARTICLE IX

22 RETENTION OF JURISDICTION

23 From and after the Confirmation Date, the Bankruptcy Court shall retain such jurisdiction
24 as is legally permissible, including, but not limited to, for the following purposes:

- 25 (i) To hear and determine any and all objections to the allowance of a Claim,
26 actions to equitably subordinate a Claim, or any controversy as to the classification of a Claim in a
27 particular Class under the Plan;
28 (ii) To administer or enforce the Plan;

- 1 (iii) To liquidate any Disputed Claims;
- 2 (iv) To hear and determine any and all adversary proceedings, contested matters
3 or applications pending on the Effective Date;
- 4 (v) To hear and determine any and all motions for the rejection of Executory
5 Contracts and to fix and allow any Claims arising therefrom;
- 6 (vi) To hear and determine any and all applications by Professionals for an
7 award of pre-Effective Date Professional Fees.
- 8 (vii) To interpret and/or enforce the provisions of the Plan, and the injunction
9 provided for in the Plan and to determine any and all disputes arising under or regarding
10 interpretation of the Plan, or any other agreement, document or instrument contemplated by the
11 Plan, including, without limitation, and claims asserted against the Plan Administrator or against
12 any professionals engaged by him or claims asserted against the Committee, the Dissolution
13 Committee and either of their members and/or professionals;
- 14 (viii) To enter and implement such orders as may be appropriate in the event
15 Confirmation is for any reason stayed, reversed, revoked, modified or vacated;
- 16 (ix) To modify any provision of the Plan to the extent permitted by the
17 Bankruptcy Code and to correct any defect, cure any omission, or reconcile any inconsistency in
18 the Plan or in the Confirmation Order as may be necessary to carry out the purposes and intent of
19 the Plan;
- 20 (x) To approve applications for Bankruptcy Rule 2004 Examinations and any
21 enforcement orders necessary, including but not limited to pursuant to Bankruptcy Rule 2005;
- 22 (xi) To approve any compromise and settlements and/or abandonments of claims
23 against third parties, and/or the abandonment of any Asset of the Estate, which either the Plan
24 Administrator in his sole discretion believes should be noticed to creditors, or which is the subject
25 of an objection by the Committee;
- 26 (xii) To approve any sales of assets or claims pursuant to section 363 of the
27 Bankruptcy Code, which the Plan Administrator in his sole discretion believes should be noticed to
28 creditors;

(xiii) To approve interim and/or final distributions to creditors, including the approval of any publication notices, which the Plan Administrator in his sole discretion believes should be noticed to creditors;

(xiv) To issue an injunction or injunctions post-confirmation pursuant to Bankruptcy Code section 105 upon a proper showing; and

(xv) To close the Chapter 11 Case when administration of the case has been completed.

ARTICLE X

MISCELLANEOUS

10.1 Severability of Plan Provisions.

In the event that, prior to the Confirmation Date, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court shall, have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision hereof, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

10.2 Governing Law.

Except to the extent that the Bankruptcy Code or other federal law is applicable, the rights, duties and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

10.3 Headings.

The headings contained in this Plan are for convenience of reference only and shall not limit or otherwise affect in any way the meaning or interpretation of this Plan.

1 **10.4 Language Interpretation.**

2 In the interpretation of this Plan, unless the context otherwise requires, references in this
3 Plan to the singular shall be construed to include references to the plural and vice versa; words
4 importing the singular shall be deemed to import the plural and vice versa; words denoting gender
5 shall include all genders; references to sections, schedules, and exhibits shall mean sections,
6 schedules, and exhibits of and to this Plan; references to part includes the whole, except where the
7 context clearly requires otherwise “or” has the inclusive meaning represented by the phrase
8 “and/or,” and the words “hereof,” “herein,” “hereunder,” and similar terms in this Plan refer to this
9 Plan as a whole and not to any particular provision of this Plan.

10 **10.5 Exhibits.**

11 All exhibits attached to this Plan or the Disclosure Statement are, by this reference, hereby
12 incorporated into the Plan. The final version of all exhibits to the Plan and the Disclosure
13 Statement will be substantially in the forms attached hereto or thereto. The Proponents reserve the
14 right to make non-substantive changes and corrections to such exhibits in advance of the
15 Confirmation Hearing. If any exhibits are changed or corrected, the replacement exhibits will be
16 filed with the Bankruptcy Court prior to the commencement of the Confirmation Hearing.

17 **10.6 Exemption from Transfer Taxes:**

18 The Debtor and the Liquidating Debtor shall have all the rights and benefits granted
19 pursuant to Bankruptcy Code section 1146(a) under this Plan.

20 **10.7 Notices.**

21 All notices required or permitted to be made in accordance with the Plan shall be in writing
22 and shall be delivered personally or by nationally recognized overnight or next-day courier service,
23 first class mail or via facsimile with electronic confirmation of receipt as follows:

24 If to the Debtor:

25 Sedgwick LLP (in dissolution)
26 2646 Dupont Drive, Suite 60 #503
27 Irvine, CA 92612
28 Attn: Curtis D. Parvin

 With a copy to:

Pachulski Stang Ziehl & Jones LLP
150 California Street, 15th Floor
San Francisco, CA 94111-4500
Attention: John W. Lucas

If to Plan Administrator

Kyle Everett
Development Specialists, Inc.
150 Post Street, Suite 400
San Francisco, CA 94108
Tel: 415.981.2717
Fax: 415.981.2718

If to the Oversight Committee:

TBD

10.8 **Computation of Time Periods.**

In computing any period of time prescribed or allowed by the Plan, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, a Sunday, or a legal holiday, or, when the act to be done is the filing of a paper in the Bankruptcy Court, a day on which weather or other conditions have made the clerk's office inaccessible, in which event the period runs until the end of the next day which is not one of the aforementioned days.

10.9 **Defects, Omissions and Amendments.**

The Proponents, with the approval of the Bankruptcy Court and without notice to all holders of Claims or Interests, insofar as it does not materially and adversely affect holders of Claims, may correct any defect, omission or inconsistency in the Plan in such manner and to such extent as may be necessary or desirable to expedite the execution of the Plan. The Plan may be altered or amended before or after Confirmation as provided in section 1127 of the Bankruptcy Code.

10.10 **Filing of Additional Documents.**

The Proponents shall file with the Bankruptcy Court such agreements or other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

1 **10.11 Successors and Assigns.**

2 The rights, benefits and obligations of any entity named or referred to in this Plan shall be
3 binding on, and shall inure to the benefit of, the heirs, executors, administrators, successors and/or
4 assigns of such entity.

5 **10.12 Implementation.**

6 Upon Confirmation, the Debtor and the Committee shall be authorized to take all steps and
7 execute all documents necessary to effectuate the provisions contained in the Plan.

8 **10.13 Certain Actions.**

9 By reason of entry of the Confirmation Order, prior to, on or after the Effective Date (as
10 appropriate), all matters provided for under the Plan that would otherwise require approval of the
11 owners, stockholders, shareholders, members, directors, managers, or officers of the Debtor under
12 the Plan, including, without limitation, (i) the distribution of Cash pursuant to the Plan, (ii) the
13 adoption, execution, delivery, and implementation of all contracts, leases, instruments, releases,
14 and other agreements or documents related to the Plan, and (iii) the adoption, execution, and
15 implementation of other matters provided for under the Plan involving the company or
16 organizational structure of the Debtor, shall be deemed to have occurred and shall be in effect prior
17 to, on or after the Effective Date (as appropriate), pursuant to the applicable general corporation,
18 limited liability, or partnership law of the state in which the Debtor or the Liquidating Debtor is
19 chartered, organized or incorporated, without any requirement of further action by the owners,
20 stockholders, shareholders, members, directors, managers, or officers of the Debtor.

21 **10.14 Waiver of Fourteen (14) Day Stay.**

22 The Debtor requests as part of the Confirmation Order a waiver from the Bankruptcy Court
23 of the fourteen (14) day stay of Bankruptcy Rule 3020(e) and, to the extent applicable, a waiver of
24 the fourteen (14) day stay of Bankruptcy Rule 6004(h).

25 Dated: June 17, 2019

PACHULSKI STANG ZIEHL & JONES LLP

26
27 By: /s/ John W. Lucas

John W. Lucas

28 Attorneys for Sedgwick, LLP

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Exhibit A
Assumed Contracts

None.

Exhibit B
Former Equity Partners

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3	Abadin, Ramon A.
4	Anscombe, Anthony J.
5	Barnes, Craig S.
6	Bernstein, Michael H.
7	Blancett, John W.
8	Boos, Nicholas
9	Brown, James S.
10	Brown, Jr., Eugene
11	Campillo, Ralph A.
12	Celebrezze, Bruce D.
13	Cook, Kimberly A.
14	Cosgrove, Phillip R.
15	Davisson, Michael R.
16	Di Saia, Steven D.
17	Diwik, James P.
18	Eassa, Robert
19	Elsbree, Eugene V.
20	Fox, Michael L.
21	Glen, Alan M.
22	Gough, Gayle L.
23	Guirgis, Ralph A.
24	Healy, Michael F.
25	Helfing, Robert F.
26	Hermann, II, Richard P.
27	Holmes, James J.
28	Humiston, David M.
	Imre, Christina
	Karos, Maria K.
	Kendall, Mark A.
	Klein, Lawrence
	Klinger, Marilyn S.
	Kum, Robert
	Marks, Christopher S.
	McMahan, Troy D.
	Mesher, Barry N.
	Mikacich, Amee A.
	Mroz, Scott D.
	O'Leary, Martin J.
	Parvin, Curtis D.
	Pipkin, Mike F.

1	Port, Andrew I.
2	Potente, Alexander E.
	Riehle, Paul J.
3	Roland, Steven D.
	Scheiner, Eric C.
4	Sheridan, Stephanie A.
5	Shimko, Anna C.
	Smerdon, Edward G.
6	Smick, Joseph M.
	Smith, Fred A.
7	Stenfeldt, Lillian G.
8	Stephens, John F.
	Sugayan, Catalina J.
9	Sullivan, Susan K.
10	Towey, Robert D.
	Wallace, Richard E.
11	Wasserman, Steven D.
12	Woodward, Karen E.
	Cauley, E. Paul Jr.
13	Keale, James, II
14	Mason, Wayne B.
	McCall, George
15	Rambin, W. Neil
16	Robertson, Thomas D.
	Tanenbaum, Michael A.
17	Vickery, Alan R.
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Exhibit C

Former Settling Equity Partner

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3	Abadin, Ramon A.
4	Anscombe, Anthony J.
5	Barnes, Craig S.
6	Bernstein, Michael H.
7	Blancett, John W.
8	Brown, James S.
9	Brown, Jr., Eugene
10	Campillo, Ralph A.
11	Celebrezze, Bruce D.
12	Cook, Kimberly A.
13	Cosgrove, Phillip R.
14	Davisson, Michael R.
15	Di Saia, Steven D.
16	Elsbree, Eugene V.
17	Fox, Michael L.
18	Glen, Alan M.
19	Gough, Gayle L.
20	Guirgis, Ralph A.
21	Healy, Michael F.
22	Hermann, II, Richard P.
23	Holmes, James J.
24	Karos, Maria K.
25	Kendall, Mark A.
26	Klein, Lawrence
27	Klinger, Marilyn S.
28	Kum, Robert
	Mesher, Barry N.
	Mikacich, Ameer A.
	Mroz, Scott D.
	O'Leary, Martin J.
	Parvin, Curtis D.
	Port, Andrew I.
	Potente, Alexander E.
	Roland, Steven D.
	Scheiner, Eric C.
	Sheridan, Stephanie A.
	Shimko, Anna C.
	Smerdon, Edward G.
	Stenfeldt, Lillian G.
	Sugayan, Catalina J.

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Sullivan, Susan K.
Towey, Robert D.
Wallace, Richard E.
Wasserman, Steven D.
Woodward, Karen E.

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Exhibit D
Malpractice Policies

To be attached.

Exhibit E

Non-Settling Former Equity Partners

Boos, Nicholas
Diwik, James P.
Eassa, Robert
Helfing, Robert F.
Humiston, David M.
Imre, Christina
Marks, Christopher S.
McMahan, Troy D.
Pipkin, Mike F.
Riehle, Paul J.
Smick, Joseph M.
Smith, Fred A.
Stephens, John F.
Cauley, E. Paul Jr.
Keale, James, II
Mason, Wayne B.
McCall, George
Rambin, W. Neil
Robertson, Thomas D.
Tanenbaum, Michael A.
Vickery, Alan R.

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Exhibit F
Plan Administrator Curriculum Vitae

To be attached.